

# World Trademark Review Daily

**Registrar refuses interim relief, but does not rule out possibility to grant equitable relief**

**Other issues  
Cancellation**

**Israel - Gilat, Bareket & Co, Reinhold Cohn Group**

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In *Gueta v Northern Delis Ltd* (August 5 2013, application for the cancellation of trademark 203468), the registrar of trademarks has refused to grant interim relief in cancellation proceedings pending before him, but has not ruled out the possibility that, in principle, the registrar has inherent power to grant equitable relief in appropriate circumstances.

The parties to the proceedings have been engaged in a legal battle over the rights to the SUPER BABA mark for grocery store/supermarket retail services since 2007, when Northern Delis Ltd filed a lawsuit against Gueta on the ground of passing off and trademark infringement due to Gueta's use of the then-unregistered SUPER BABA mark, to which Northern Delis claimed ownership. Gueta disputed Northern Delis' ownership of the mark and claimed rights in the goodwill that it had accrued in respect of grocery store services. Shortly before the filing of the lawsuit, Northern Delis applied for the registration of the trademark SUPER BABA for retail store services. Gueta did not oppose the application, and the mark was registered in 2009.

The district court [dismissed the suit on both grounds](#). In June 2013 the Supreme Court allowed Northern Delis' appeal in part, holding that there was infringement of a registered mark, the registration of which Gueta had failed to oppose, and granted a permanent injunction preventing Gueta from using 'Super Baba' or 'Supermarket Baba' in respect of services covered by the plaintiff's registration.

Following the Supreme Court decision on appeal, Gueta filed an application for the cancellation of Northern Delis' trademark and also filed a motion for interim relief in the form of a temporary permission to use the mark, pending the decision in the cancellation proceedings.

The motion for interim relief relied primarily on Section 47 of the [Trademarks Ordinance \(New Version\) 5732-1972](#), which permits the genuine use of the name of a business notwithstanding the registration of a conflicting trademark. As to the registrar's authority to grant interim relief, the applicant relied on Regulation 362 of the Rules of Civil Procedure 5744-1984, which sets the criteria for granting interim relief in civil proceedings (the pre-requisite being that there should be a cause of action based on *prima facie* reliable evidence, in which case the court will take into account the chances of success of the action, the balance of hardship and equitable considerations, including the applicant's good faith and timeliness in applying for relief, whether the relief is just and appropriate under the circumstances, and whether it is liable to cause unnecessary harm).

In this regard, the applicant argued that the Rules of Civil Procedure may be relied upon whenever a lacuna in the proceedings before the registrar needs to be supplemented (referring to an earlier case dealing with the issue of providing security for costs).

The registrar cited, with approval, an earlier ruling in a motion for discovery in patent opposition proceedings (*AstraZeneca AB v Unipharm Ltd* (opposition to the registration of patent 143977 [2007])), in which it was held that the registrar may exercise his/her inherent power to grant relief, using the Rules of Civil Procedure as a source of analogy. However, the registrar commented that, in deciding whether to exercise such power, he/she must be guided by considerations concerning the integrity of the trademark register and its role in ensuring the identification of the origin of goods/services and in protecting the proprietary interests of trademark owners. Such considerations may lead to a conclusion that there is no lacuna to be supplemented by drawing upon civil procedure rules. In any event, the exercise of the registrar's inherent power must be limited and is applicable only in cases where it is appropriate in light of the nature of the proceedings (eg, it was observed that an opposition concerning the disputed ownership of an invention was similar to civil proceedings, whereas an opposition on other grounds was guided by different considerations).

In the present case, the registrar held that, even assuming that the criteria for granting interim relief could be borrowed from the Rules of Civil Procedure, the circumstances of this case did not warrant such relief under the rules, due to laches and in light of the balance of hardship. The applicant's failure to oppose the registration of the mark in 2009 and to request its cancellation since then, delaying its request until the Supreme Court's decision on appeal in 2013 (without there being a limitation under trademark law on cancellation proceedings running in parallel with court proceedings), amounted to laches. As to the balance of hardship, the rights of the registered owner had been enhanced by the permanent injunction granted by the Supreme Court against the applicant, while granting interim relief was liable to cause disproportionate

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harm to the registered owner's rights before the cancellation proceedings were heard. The registrar further highlighted the public interest underlying the presumption that the trademark register is accurate.

Importantly, while he reserved his opinion on the registrar's power to grant equitable remedies (noting that the remedy requested was neither interim declaratory relief, nor a motion to record a licence), the registrar did not rule out the possibility that, under appropriate circumstances, he may use his inherent powers to grant equitable relief.

*David Gilat, Orit Gonen and Sonia Shnyder, Gilat, Bareket & Co., Reinhold Cohn Group, Tel Aviv*

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